

HERRICK, FEINSTEIN, LLP
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Sean E. O'Donnell
Stephen B. Selbst
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Christopher Carty

*Special Conflicts Counsel to the Official Committee of
Unsecured Creditors of Sears Holdings Corporation, et al.*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

----- X	
In re:	: Chapter 11
	: :
SEARS HOLDINGS CORPORATION, <i>et al.</i> ,	: Case No. 18-23538 (RDD)
	: :
Debtors ¹	: (Jointly Administered)
	: :
	: :
----- X	

**SIXTEENTH MONTHLY FEE STATEMENT OF HERRICK, FEINSTEIN
LLP FOR PROFESSIONAL SERVICES RENDERED AND DISBURSEMENTS
INCURRED AS SPECIAL CONFLICTS COUNSEL TO THE OFFICIAL
COMMITTEE OF UNSECURED CREDITORS FOR THE PERIOD OF
MARCH 1, 2021 THROUGH MARCH 31, 2021**

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); SHC Licensed Business LLC (3718); SHC Promotions LLC (9626); Sears Brands Management Corporation (5365); and SRE Holding Corporation (4816). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179

Name of Applicant:	Herrick, Feinstein LLP
Authorized to Provide Professional Services To:	Special Conflicts Counsel to the Official Committee of Unsecured Creditors of Sears Holdings Corporation, <i>et al.</i>
Date of Retention:	March 22, 2019 <i>nunc pro tunc</i> to January 2, 2019
Period for Which Compensation and Reimbursement Is Sought:	March 1, 2021 through March 31, 2021
Monthly Fees Incurred:	\$30,883.50
20% Holdback:	\$6,176.70
Total Compensation Less 20% Holdback:	\$24,706.80
Monthly Expenses Incurred:	\$170.00
Total Fees and Expenses Requested:	\$24,876.80

This is a x monthly interim final application

Herrick Feinstein LLP (“Herrick Feinstein”), special conflicts counsel to the Official Committee of Unsecured Creditors (the “Creditors’ Committee”) of Sears Holding Corporation and its affiliated debtors and debtors in possession (collectively, the “Debtors”), hereby respectfully submits this statement of fees and disbursements (the “Sixteenth Combined Monthly Fee Statement”) covering the period from March 1, 2021 through March 31, 2021 (the “Compensation Period”) in accordance with the *Order Authorizing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* (the “Interim Compensation Order”) [ECF No. 796]. By the Sixteenth Combined Monthly Fee Statement, and after taking into account certain voluntary discounts and reductions, Herrick Feinstein requests (a) interim allowance and payment of compensation in the amount of \$24,706.80 (80% of \$30,883.50) for fees on account of reasonable and necessary professional services rendered to the Creditors’

Committee by Herrick Feinstein, and (b) reimbursement of actual and necessary costs and expenses in the amount of \$170.00 incurred by Herrick Feinstein during the Compensation Period.

**FEES FOR SERVICES RENDERED
DURING THE COMPENSATION PERIOD**

Exhibit A sets forth a timekeeper summary that includes the respective names, positions, department, bar admissions, hourly billing rates and aggregate hours spent by each Herrick Feinstein professional and paraprofessional that provided services to the Creditors' Committee during the Compensation Period. The rates charged by Herrick Feinstein for services rendered to the Creditors' Committee are the same rates that Herrick Feinstein charges generally for professional services rendered to its non-bankruptcy clients.

Exhibit B sets forth a task code summary that includes the aggregate hours per task code spent by Herrick Feinstein professionals and paraprofessionals in rendering services to the Creditors' Committee during the Compensation Period.

Exhibit C sets forth a complete itemization of tasks performed by Herrick Feinstein professional and paraprofessionals that provided services to the Creditors' Committee during the Compensation Period.

**EXPENSES INCURRED
DURING THE COMPENSATION PERIOD**

Exhibit D sets forth a disbursement summary that includes the aggregate expenses, organized by general disbursement categories, incurred by Herrick Feinstein in connection with services rendered to the Creditors' Committee during the Compensation Period.

Exhibit E sets forth a complete itemization of disbursements incurred by Herrick Feinstein in connection with services rendered to the Creditors' Committee during the Compensation Period.

NOTICE AND OBJECTION PROCEDURES

Notice of this Sixteenth Combined Monthly Fee Statement shall be given by hand or overnight delivery or email where available upon (i) Sears Holdings Corporation, 3333 Beverly Road, Hoffman Estates, Illinois 60179, Attention: Mohsin Y. Meghji ([email: mmeghji@miiipartners.com](mailto:mmeghji@miiipartners.com)); (ii) counsel to the Debtors, Weil, Gotshal & Manges LLP, 767 Eighth Avenue, New York, NY 10153, Attention: Ray C. Schrock ([email: ray.schrock@weil.com](mailto:ray.schrock@weil.com)), Jacqueline Marcus ([email: jacqueline.marcus@weil.com](mailto:jacqueline.marcus@weil.com)), Garrett A. Fail ([email: garrettlail@weil.com](mailto:garrettlail@weil.com)), and Sunny Singh ([email: sunny.singh@weil.com](mailto:sunny.singh@weil.com)); (iii) William K. Harrington, the United States Trustee, U.S. Federal Office Building, 201 Varick Street, Suite 1006, New York, NY 10014, Attention: Paul Schwartzberg ([e-mail: paul.schwartzberg@usdoj.gov](mailto:paul.schwartzberg@usdoj.gov)) and Richard Morrissey ([e-mail: richard.morrissey@usdoj.gov](mailto:richard.morrissey@usdoj.gov)); (iv) counsel to Bank of America, N.A., Skadden, Arps, Slate, Meagher & Flom LLP, 4 Times Square, New York, NY 10036, Attention: Paul D. Leake ([email: paul.leake@skadden.com](mailto:paul.leake@skadden.com)), Shana A. Elberg ([email: shana.elberg@skadden.com](mailto:shana.elberg@skadden.com)) and George R. Howard ([email: george.howard@skadden.com](mailto:george.howard@skadden.com)); (v) Paul E. Harner, fee examiner, 1675 Broadway, New York, NY 10019 ([e-mail: harnerp@ballardspahr.com](mailto:harnerp@ballardspahr.com)); (vi) counsel to the fee examiner, Ballard Spahr LLP, 1675 Broadway, New York, NY 10019, Attention: Vincent J. Marriott ([e-mail: marriott@ballardspahr.com](mailto:marriott@ballardspahr.com)) and Tobey M. Daluz ([e-mail: dalurt@ballardspahr.com](mailto:dalurt@ballardspahr.com)); and (vi) counsel to the Official Committee of Unsecured Creditors, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, NY 10036, Attention: Philip C. Dublin ([email: pdublin@akingump.com](mailto:pdublin@akingump.com)), Ira S. Dizengoff ([email: idizengoff@akingump.com](mailto:idizengoff@akingump.com)) and Sara Lynne Brauner ([email: sbrauner@akingump.com](mailto:sbrauner@akingump.com)), (collectively, the “Notice Parties”).

Objections to this Sixteenth Combined Monthly Fee Statement, if any, must be filed with the Court and served upon the Notice Parties so as to be received no later than **May 21, 2021** (the

“Objection Deadline”), setting forth the nature of the objection and the amount of fees or expenses at issue (an “Objection”).

If no objections to this Sixteenth Combined Monthly Fee Statement are filed and served as set forth above, the Debtors shall promptly pay eighty percent (80%) of the fees and one hundred percent (100%) of the expenses identified herein.

If an objection to this Sixteenth Combined Monthly Fee Statement is received on or before the Objection Deadline, the Debtors shall withhold payment of that portion of this Sixteenth Combined Monthly Fee Statement to which the objection is directed and promptly pay the remainder of the fees and disbursements in the percentages set forth above. To the extent such an objection is not resolved, it shall be preserved and scheduled for consideration at the next interim fee application hearing to be heard by the Court.

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Dated: New York, New York
May 6, 2021

HERRICK FEINSTEIN LLP

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*Special Conflicts Counsel to the Official
Committee of Unsecured Creditors of Sears
Holdings Corporation, et al.*

Exhibit A

Timekeeper Summary

PARTNERS	DEPARTMENT	YEAR OF BAR ADMISSION	RATE	HOURS	AMOUNT
Christopher W. Carty	Restructuring & Finance Litigation	2010	\$850.00	11.9	\$10,115.00
Total Partners				11.9	\$10,115.00
COUNSEL	DEPARTMENT	YEAR OF BAR ADMISSION	RATE	HOURS	AMOUNT
Kyle J. Kolb	Restructuring & Finance Litigation	2012	\$690.00	9.4	\$6,486.00
Total Counsel				9.4	\$6,486.00
ASSOCIATES	DEPARTMENT	YEAR OF BAR ADMISSION	RATE	HOURS	AMOUNT
Heather M. Zimmer	Restructuring & Finance Litigation	2017	\$475.00	11.7	\$5,557.50
Conor Anderson	Restructuring & Finance Litigation	2017	\$435.00	10.8	\$4,698.00
Total Associates				22.5	\$10,255.50

PARALEGALS/ NON- LEGAL STAFF	DEPARTMENT	RATE	HOURS	AMOUNT
Linda Schepp	Restructuring & Finance Litigation	\$350.00	10.1	\$3,535.00
Larisa Poretsky	Litigation	\$410.00	1.2	\$492.00
Total Paralegals/ Non- Legal Staff			11.3	\$4,027.00

EXHIBIT B

Task Code Summary

Task Code	HOURS	AMOUNT (\$)
Fee/Employment Applications – B160	1.3	\$577.00
Other Contested Matters – B190	11.1	\$8,955.00
Joint Asserted Causes of Action	42.70	\$21,351.50
Total	55.1	\$30,883.50

Exhibit C

Itemized Fees



Official Committee of Unsecured Creditors of Sears Holdings
Attn: Ron Tucker
225 W. Washington Street
Indianapolis, IN 46204

April 30, 2021
Invoice Number: 545915
Matter Number: 19609.0001
Tax ID: 1662

Re: **Sears Bankruptcy**

Fees for legal services rendered through March 31, 2021	\$9,532.00
Expenses posted through March 31, 2021	100.00
TOTAL	<u>\$9,632.00</u>
Unpaid balance from previous invoice(s)	\$22,534.60
Total Due Now	\$32,166.60

INVOICE PAYMENT IS DUE UPON RECEIPT. THANK YOU.

Kindly return this page with your check payment to:
Herrick, Feinstein LLP
2 Park Avenue
New York, NY 10016

Send wire payments to:
Citibank, N.A.
ABA Number: 0089
Account Number: 6165
SWIFT #:



HERRICK

Invoice Number: 545915
Matter Number: 19609.0001
Page: 2

LEGAL SERVICES RENDERED:

<u>DATE</u>	<u>NAME</u>	<u>TASK CODE</u>	<u>NARRATIVE</u>	<u>HOURS</u>
03/03/21	C. Carty	B160	Review and approve fee statement.	0.10
03/03/21	L. Poretsky	B160	Assemble, redact, e-file HF Fourteenth Monthly Fee Statement and submit to Prime Clerk for service.	1.20
03/05/21	C. Carty	B190	Review and comment on draft investigation memo.	1.20
03/05/21	K. Kolb	B190	Analyze materials received from Kramer Levin.	0.50
03/05/21	K. Kolb	B190	Analyze recent 363(n) Case law in connection with investigation recommendation.	0.20
03/05/21	K. Kolb	B190	Revise recommendation memo to UCC.	1.70
03/11/21	C. Carty	B190	Review and provide comments to draft investigation memo.	2.40
03/11/21	K. Kolb	B190	Discuss update to UCC with C. Carty.	0.30
03/19/21	C. Carty	B190	Review and comment on draft investigation memo.	1.30
03/29/21	C. Carty	B190	Review and comment on investigation summary memo and review and analyze documents referenced therein.	3.20
03/29/21	K. Kolb	B190	Analyze revisions to memo to UCC regarding investigation status.	0.30
TOTAL				\$9,532.00



HERRICK

Invoice Number: 545915
Matter Number: 19609.0001
Page: 3

LEGAL SERVICES SUMMARY

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
C. Carty	8.20	850.00	6,970.00
K. Kolb	3.00	690.00	2,070.00
L. Poretsky	1.20	410.00	492.00
TOTAL	12.40		\$9,532.00

DISBURSEMENTS:

	<u>AMOUNT</u>
E-Discovery Data Hosting	100.00
TOTAL:	<u>\$100.00</u>

TASK SUMMARY

<u>Task Code</u>	<u>Task Description</u>	<u>Hours</u>	<u>Amount</u>
B160	Fee/Employment Applications	1.30	577.00
B190	Other Contested Matters	11.10	8,955.00
TOTALS		12.40	\$9,532.00

PREVIOUS BILLS OUTSTANDING

<u>Invoice #</u>	<u>Invoice Date</u>	<u>Original Amount</u>	<u>Less Credits Applied</u>	<u>Balance</u>
356647	07/16/20	62,817.18	60,748.68	2,068.50
540575	12/14/20	31,940.28	28,618.48	3,321.80
541327	01/19/21	51,933.19	44,680.99	7,252.20
542957	02/24/21	38,059.70	32,230.60	5,829.10
544217	03/25/21	4,063.00	0.00	4,063.00
			Total Outstanding	\$22,534.60



HERRICK

Official Committee of Unsecured Creditors of Sears Holdings
Attn: Ron Tucker
225 W. Washington Street
Indianapolis, IN 46204

April 30, 2021
Invoice Number: 545916
Matter Number: 19609.0002
Tax ID: 1662

Re: **Jointly Asserted Causes of Action**

Fees for legal services rendered through March 31, 2021 \$21,351.50

Expenses posted through March 31, 2021 70.00

TOTAL \$21,421.50

Unpaid balance from previous invoice(s) \$476,650.36

Total Due Now \$498,071.86

INVOICE PAYMENT IS DUE UPON RECEIPT. THANK YOU.

Kindly return this page with your check payment to:

Herrick, Feinstein LLP
2 Park Avenue
New York, NY 10016

Send wire payments to:

Citibank, N.A.
ABA Number: 0089
Account Number: 6165
SWIFT #:



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Invoice Number: 545916
Matter Number: 19609.0002
Page: 2

LEGAL SERVICES RENDERED:

<u>DATE</u>	<u>NAME</u>	<u>TASK CODE</u>	<u>NARRATIVE</u>	<u>HOURS</u>
03/01/21	C. Carty	B190	Call with Akin regarding adversary proceeding update and prepare for same.	0.50
03/03/21	H. Zimmer	B190	Confer with counsel for Girard Sharp concerning subpoena.	0.10
03/05/21	H. Zimmer	B190	Revise memoranda on documents produced in adversary proceeding.	3.10
03/08/21	K. Kolb	B190	Revise summaries of Deloitte documents.	0.30
03/08/21	L. Schepp	B190	Compile and update chronology of additional documents of interest in preparation for attorney review.	4.30
03/11/21	K. Kolb	B190	Analyze proposed revisions to deposition document summaries.	0.10
03/11/21	L. Schepp	B190	Update Deloitte hot and interesting documents index in preparation for attorney review.	1.20
03/12/21	H. Zimmer	B190	Revise summary of documents produced in adversary proceeding.	0.40
03/12/21	H. Zimmer	B190	Review documents produced by Deloitte in adversary proceeding and revise summary on same.	0.80
03/12/21	L. Schepp	B190	Compile additional hot or interesting documents from attorney review of Deloitte documents in preparation for attorney review.	1.10
03/15/21	K. Kolb	B190	Analyze revised scheduling order.	0.20
03/16/21	K. Kolb	B190	Analyze letter to court on case law development.	0.10
03/16/21	K. Kolb	B190	Analyze summaries of key documents produced by debtors' auditors.	0.50
03/16/21	C. Anderson	B190	Review Greenlight/Blackstone production for relevant documents	4.20
03/16/21	H. Zimmer	B190	Confer with Linda Schepp and Kyle Kolb on documents produced in adversary proceeding.	0.10
03/16/21	L. Schepp	B190	Update documents cited in Deloitte hot and of interest documents in preparation for attorney review.	2.90
03/17/21	C. Carty	B190	Review and analyze hot docs from Deloitte third party production.	3.20
03/17/21	K. Kolb	B190	Analyze letter from ESL's counsel.	0.10
03/17/21	C. Anderson	B190	Review Greenlight/Blackstone production for relevant documents	3.70
03/17/21	C. Anderson	B190	Analyze and summarize Greenlight/Blackstone document production	0.40
03/17/21	C. Anderson	B190	Review Greenlight/Blackstone production for relevant	1.10



HERRICK

Invoice Number: 545916
Matter Number: 19609.0002
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<u>DATE</u>	<u>NAME</u>	<u>TASK CODE</u>	<u>NARRATIVE</u>	<u>HOURS</u>
			documents	
03/17/21	H. Zimmer	B190	Review documents produced in adversary proceeding and finalize summary on same.	1.10
03/17/21	L. Schepp	B190	Finalize remaining hot and interesting documents from review of Wachtell and Deloitte produced documents in preparation for attorney review.	0.60
03/18/21	K. Kolb	B190	Revise memo regarding Blackstone production.	0.50
03/18/21	C. Anderson	B190	Draft Summary of Greenlight/Blackstone production.	1.40
03/19/21	H. Zimmer	B190	Review documents produced in adversary proceeding and draft memoranda on same.	3.50
03/22/21	H. Zimmer	B190	Review documents produced in adversary proceeding.	0.60
03/22/21	H. Zimmer	B190	Revise summary on documents produced in adversary proceeding.	0.50
03/24/21	K. Kolb	B190	Analyze Blackstone production and revise memo summarizing same.	2.30
03/25/21	K. Kolb	B190	Analyze Blackstone production and summary of same.	0.50
03/29/21	K. Kolb	B190	Analyze documents produced by Blackstone and revise memo re same.	1.00
03/29/21	H. Zimmer	B190	Analyze emails and productions from third-parties and defendants concerning discovery .	0.50
03/30/21	K. Kolb	B190	Revise memo regarding Blackstone production.	0.80
03/30/21	H. Zimmer	B190	Draft summary on discovery for litigation designees and confer with Chris Carty on same.	0.80
03/31/21	H. Zimmer	B190	Confer with H5 on third party productions.	0.20
			TOTAL	\$21,351.50



Invoice Number: 545916
Matter Number: 19609.0002
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LEGAL SERVICES SUMMARY

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
C. Anderson	10.80	435.00	4,698.00
C. Carty	3.70	850.00	3,145.00
K. Kolb	6.40	690.00	4,416.00
L. Schepp	10.10	350.00	3,535.00
H. Zimmer	11.70	475.00	5,557.50
TOTAL	42.70		\$21,351.50

DISBURSEMENTS:

	<u>AMOUNT</u>
Other	70.00
TOTAL:	\$70.00

PREVIOUS BILLS OUTSTANDING

<u>Invoice #</u>	<u>Invoice Date</u>	<u>Original Amount</u>	<u>Less Credits Applied</u>	<u>Balance</u>
358158	08/24/20	114,394.47	91,935.87	22,458.60
538312	10/22/20	330,797.92	265,261.82	65,536.10
539161	11/12/20	221,704.24	177,615.54	44,088.70
540525	12/14/20	170,056.45	136,138.75	33,917.70
541328	01/19/21	106,056.50	0.00	106,056.50
542909	02/24/21	178,642.76	0.00	178,642.76
544218	03/25/21	25,950.00	0.00	25,950.00
Total Outstanding				\$476,650.36

Exhibit D

Disbursement Summary

E-Discovery Data Hosting	\$100.00
Other	\$70.00
Total	\$170.00

Exhibit E

Itemized Disbursement

Disbursement Detail

Applied filterssss: Client: Official Committee of Unsecured Creditor (19609), Period: 202103

	Disbursement ID	Client/Matter	Transaction Date	Disb Code	Quantity	To Bill Amount \$170.00	Phase/Task	Narrative	Bill Number	Base Quantity	Billed Quantity	Base Amount	Billed Amount \$170.00	Period
^	Miscellaneous (09					\$70.00							\$70.00	
^	202103					\$70.00							\$70.00	
	9236127	Official Committee of Unsec Jointly Asserted Causes of A	2/24/2021	Miscellaneous (099)	0	\$70.00	Expenses Only (EXP.EXP) Expenses Only	MERCHANT: COURTSOLUTIC	545916	0	0	\$70.00	\$70.00	202103
^	E-Discovery Data					\$100.00							\$100.00	
^	202103					\$100.00							\$100.00	
	9239569	Official Committee of Unsec Sears Bankruptcy (0001)	3/31/2021	E-Discovery Data Hosting Mi	1	\$100.00	Expenses Only (EXP.EXP) Expenses Only	Sears Bankruptcy UCC - Rule	545915	1	1	\$100.00	\$100.00	202103